

**THE COMMITTEE ON AGING  
FOR RANDOLPH COUNTY, INC.**

**AUDITED FINANCIAL STATEMENTS**

**For the years Ended  
September 30, 2015 &  
September 30, 2016**

*Williams & Associates, AC  
204 Davis Avenue, PO Box 2727  
Elkins, West Virginia 26241*

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
AUDIT FOR YEARS ENDED SEPTEMBER 30, 2015 & 2016**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Committee on Aging for Randolph County Inc

### Report on Financial Statements

We have audited the accompanying financial statements of the Committee on Aging for Randolph County, Inc (a nonprofit organization), which comprise the statements of financial position as of September 30, 2015 and 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Committee on Aging for Randolph County, Inc, as of September 30, 2015 & 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Supplemental and Other Information

The schedule of revenues is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal (and state) awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200. *Uniform Administrative Requirements, Code Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2017, on our consideration of the Committee on Aging for Randolph County, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Committee on Aging for Randolph County, Inc's internal control over financial reporting and compliance.

*Williams & Associates A.C.*

Elkins, West Virginia  
June 15, 2017

**The Committee on Aging for Randolph County, Inc.**  
**COMPARATIVE STATEMENTS OF FINANCIAL POSITION**  
**September 30, 2015 & 2016**

	<b>2015</b>	<b>2016</b>
<b>ASSETS</b>		
Current Assets		
Cash and Equivalents	\$ 357,156	\$ 385,176
Certificates of Deposit	670,988	694,470
Investments	641,602	641,641
Accounts Receivable	114,105	152,557
Grants Receivable	54,886	63,166
Inventory	14,905	14,063
Prepaid Expenses	10,169	11,905
Total Current Assets	\$ 1,863,811	\$ 1,962,978
Fixed Assets		
Property and Equipment	1,844,638	1,914,009
Less Accumulated Depreciation	834,159	946,158
Net Fixed Assets	1,010,479	967,851
<b>TOTAL ASSETS</b>	<b>\$ 2,874,290</b>	<b>\$ 2,930,829</b>
 <b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	\$ 2,160	\$ 17,779
Accrued Compensation	\$ 44,101	\$ 41,421
Current Portion of Long-Term Debt	11,735	11,735
Total Current Liabilities	\$ 57,996	\$ 70,935
Long-Term Liabilities		
Mortgage Payable	37,357	25,322
OPEB Plan Liability	471,647	488,351
Total Long-Term Liabilities	509,004	513,673
<b>TOTAL LIABILITIES</b>	<b>\$ 567,000</b>	<b>\$ 584,608</b>
Net Assets, Unrestricted	2,198,408	2,197,429
Net Assets, Temporarily Restricted	108,882	148,792
<b>TOTAL NET ASSETS</b>	<b>2,307,290</b>	<b>2,346,221</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,874,290</b>	<b>\$ 2,930,829</b>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>TOTAL</u>
<b>SUPPORT</b>			
Contributions	\$ 6,073		\$ 6,073
Grants			
Federal Monies		515,485	515,485
State Monies		606,022	606,022
Program Service Fees	1,438,207		1,438,207
Project Income		148,298	148,298
Investment Return	23,799		23,799
Other	454,756		454,756
<b>TOTAL SUPPORT</b>	<u>\$ 1,922,835</u>	<u>\$ 1,269,805</u>	<u>\$ 3,192,640</u>
 <b>EXPENSES</b>			
Program Services	\$ 3,034,023	\$ -	3,034,023
Management and General	119,686		119,686
<b>TOTAL EXPENSES</b>	<u>\$ 3,153,709</u>	<u>\$ -</u>	<u>\$ 3,153,709</u>
 <b>INCREASE(DECREASE) IN NET ASSETS</b>	(1,230,874)	1,269,805	38,931
 <b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	1,229,895	(1,229,895)	-
 <b>NET ASSETS, Beginning of Year</b>	<u>2,198,408</u>	<u>108,882</u>	<u>2,307,290</u>
 <b>NET ASSETS, End of Year</b>	<u>\$ 2,197,429</u>	<u>\$ 148,792</u>	<u>\$ 2,346,221</u>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>TOTAL</u>
<b>SUPPORT</b>			
Contributions	\$ 62,659		\$ 62,659
Grants			
Federal Monies		387,015	387,015
State Monies		643,187	643,187
Program Service Fees	1,363,421		1,363,421
Project Income		115,565	115,565
Investment Return	27,798		27,798
Other	448,575		448,575
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL SUPPORT</b>	<u>\$ 1,902,453</u>	<u>\$ 1,145,767</u>	<u>\$3,048,220</u>
<b>EXPENSES</b>			
Program Services	\$ 2,883,915	\$ -	2,883,915
Management and General	120,537		120,537
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL EXPENSES</b>	<u>\$ 3,004,452</u>	<u>\$ -</u>	<u>\$3,004,452</u>
<b>INCREASE(DECREASE) IN NET ASSETS</b>	(1,101,999)	1,145,767	43,768
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	1,113,190	(1,113,190)	-
<b>NET ASSETS, 10/1/14</b>	<u>2,187,217</u>	<u>76,305</u>	<u>2,263,522</u>
<b>NET ASSETS, 9/30/15</b>	<u>\$ 2,198,408</u>	<u>\$ 108,882</u>	<u>\$2,307,290</u>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**For the Years Ended September 30, 2015 & 2016**

	<u>2015</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase(Decrease) in Net Assets	\$ 43,768	\$ 38,931
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	122,982	111,999
(Increase)Decrease in Operating Assets:		
Accounts Receivable	(29,921)	(37,040)
Grants Receivable	(10,350)	(9,692)
Inventory	(198)	842
Prepaid Expenses	2,701	(1,736)
Increase(Decrease) in Operating Liabilities:		
Accounts Payable	17	15,619
Accrued Compensation	(3,878)	(2,680)
Deferred Revenue	(10,122)	-
OPEB Liability	16,938	16,704
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 131,937</u>	<u>\$ 132,947</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchases and Sales of Property and Equipment	<u>(53,586)</u>	<u>(69,371)</u>
NET CASH USED IN INVESTING ACTIVITIES	(53,586)	(69,371)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long-Term Debt	(11,005)	(12,035)
Purchases and Sales of Investments	<u>(27,274)</u>	<u>(23,521)</u>
NET CASH USED BY FINANCING ACTIVITIES	<u>(38,279)</u>	<u>(35,556)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	40,072	28,020
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>317,084</u>	<u>357,156</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 357,156</u>	<u>\$ 385,176</u>

See Independent Auditor's Report.

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**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended September 30, 2016**

Program Services

	Community											Total Program Services	Management & General	TOTAL
	Care/ Waiver/ Case Mgt	III-B	III-C Home		III-D	III-E	LH	FAIR	Transit	LIFE	Other Programs			
<b>FUNCTIONAL EXPENSES</b>														
Personnel	\$ 1,187,654	\$ 70,187	\$ 143,480	\$ 68,357	\$ 2,576	\$ 16,416	\$ 145,788	\$ 31,213	\$ 376,808	\$ 23,993	\$ 24,311	\$ 2,090,783	\$ 232,081	\$ 2,322,864
Travel	98,162	6,991				711	20,588	2,608	3,887			132,947	2,235	135,182
Printing & Supplies	4,938								2,083		22,988	30,009	14,921	44,930
Raw Food			94,283	48,822								143,105		143,105
Disposables			6,143	5,253								11,396		11,396
Transportation			716	7,933								8,649		8,649
Communication & Utilities	4,127											4,127	34,392	38,519
Repairs & Maintenance									51,704			51,704	4,886	56,590
Indirect Costs	165,820	9,713	34,104	21,804	303	2,151	20,138	4,547	61,750	4,394	9,443	334,167	(331,397)	2,770
Other	24,582		75,856	19,043					18,610		29,232	167,323	47,260	214,583
Advertising									19,053		3,941	22,994	3,309	26,303
Insurance									22,551			22,551		22,551
Bad Debts												-		-
Depreciation	14,268											14,268	111,999	126,267
<b>Total Functional Expenses</b>	<b>\$ 1,499,551</b>	<b>\$ 86,891</b>	<b>\$ 354,582</b>	<b>\$ 171,212</b>	<b>\$ 2,879</b>	<b>\$ 19,278</b>	<b>\$ 186,514</b>	<b>\$ 38,368</b>	<b>\$ 556,446</b>	<b>\$ 28,387</b>	<b>\$ 89,915</b>	<b>\$ 3,034,023</b>	<b>\$ 119,686</b>	<b>\$ 3,153,709</b>

See Independent Auditor's Report.

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**The Committee on Aging for Randolph County, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended September 30, 2015**

Program Services

	<u>Program Services</u>											Total Program Services	Management & General	TOTAL
	Community Care/ Waiver/ Case Mgt	III-B	III-C		III-E	III-D/MM	LH	FAIR	Transit	LIFE	Other Programs			
		Congregate	Home Delivered											
<b>FUNCTIONAL EXPENSES</b>														
Personnel	\$ 1,020,155	\$ 52,020	\$ 143,481	\$ 67,239	\$ 17,851	\$ 2,515	\$ 127,270	\$ 33,650	\$ 363,648	\$ 27,189	\$ 21,711	\$ 1,876,729	\$ 258,736	\$ 2,135,465
Travel	94,393	6,538			920		16,100	3,435	1,677	475		123,538	2,261	125,799
Printing & Supplies	6,149								1,391		27,833	35,373	27,877	63,250
Raw Food			93,888	74,919								168,807		168,807
Disposables			9,487	9,368								18,855		18,855
Transportation			1,032	11,331								12,363		12,363
Communication & Utilities	3,434										4,850	8,284	24,621	32,905
Repairs & Maintenance									79,504			79,504	6,058	85,562
Indirect Costs	169,402	9,120	42,465	28,310	2,921	391	22,442	5,964	79,146	5,466	12,329	377,956	(377,956)	-
Other	43,742	40	25,946	18,322					14,378		24,978	127,406	50,261	177,667
Advertising	197								10,522		1,810	12,529	5,084	17,613
Insurance									19,075			19,075	613	19,688
Bad Debts	23,496											23,496		23,496
Depreciation												-	122,982	122,982
<b>Total Functional Expenses</b>	<b>\$ 1,360,968</b>	<b>\$ 67,718</b>	<b>\$ 316,299</b>	<b>\$ 209,489</b>	<b>\$ 21,692</b>	<b>\$ 2,906</b>	<b>\$ 165,812</b>	<b>\$ 43,049</b>	<b>\$ 569,341</b>	<b>\$ 33,130</b>	<b>\$ 93,511</b>	<b>\$ 2,883,915</b>	<b>\$ 120,537</b>	<b>\$ 3,004,452</b>

See Independent Auditor's Report.

The accompanying notes are an integral part of these financial statements.

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies**

The Committee on Aging for Randolph County, Inc., is a nonprofit organization whose purpose is to improve the quality of life for senior citizens in Randolph County, West Virginia. The purpose of the Organization is to study and document the needs of the seniors; to encourage, promote and aid in the establishment of programs for the seniors; to conduct programs of public education on the problems of aging; to utilize opportunities to establish demonstration programs; and to implement state and local programs for the aging that no other agency is implementing.

This summary of significant accounting policies of The Committee on Aging for Randolph County, Inc., is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representation of management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

**Basis of Accounting**

The financial statements of the Committee on Aging for Randolph County, Inc., have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification 958-205, formerly Statements of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Estimates**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Accounts Receivable**

Accounts receivable represent amounts owed the Organization for services provided to clients of the Organization under contracts with the West Virginia Department of Health and Human Resources – Medicaid Waiver and Community Care Programs. In addition, the Organization uses the allowance method for accounting for bad debts whereby an allowance for doubtful accounts is established based on the realization of the accounts receivable at year end. As of September 30, 2015 and 2016, all accounts receivable are deemed collectible.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Grants Receivable

Contributions/grants are recognized when the donor/grantor makes a promise to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor/grantor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor/grantor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization uses the allowance method to determine collectibility of grants receivable. As of September 30, 2015 and 2016, all grants receivable are deemed collectible.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Property and Equipment

Prior to October 1, 1990, the Organization expensed all property and equipment in the period of acquisition as directed by the grantor agencies. The Organization, effective October 1, 1990, is currently capitalizing all equipment purchases at cost and all donated equipment at fair market value and is depreciating these costs using the straight-line method over the asset's estimated useful life. All equipment/vehicles purchased with grant monies must have approval from the grantor agency to dispose of such equipment and the method of disposition. The Organization has adopted a capitalization policy in the amount of \$500.

Investments

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets.

Inventory

Inventory consists primarily of raw food, disposables, and supplies purchased under the Title III-C grant and are recorded at lower of cost (first-in, first-out basis) or market.

Income Taxes

The Organization is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3). The organization's returns for the prior three years remain subject to examination by the Internal Revenue Service

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies (Continued)**

Grant Monies

Grant monies are received in three ways:

- 1 – On a cost reimbursement basis for which the Organization requests reimbursement for monies already spent. This is utilized for the LIFE and Transit program grants.
- 2 – On an as needed basis in which the Organization requests monies that it feels it will need in the immediate future; this is utilized for Title III-B, Title III-E, Title III-D, SHIP and Elder Abuse grants. Upon completion of a grant year any unexpended money has to be approved for carryover to the next year, but if approval is denied, the money has to be reimbursed to the grantor.
- 3 – Title III-C are received on a meal reimbursement basis but not to exceed the total grant award. Upon completion of the grant year, any unexpended monies are restricted for future Title III-C program operating expenses.

Total federal and state grant revenues for the years ended September 30, 2015 and 2016 were \$1,030,202 and \$1,121,507, respectively.

Operating expenditures made against federal and state grants are subject to audit by the Grantor agency. These agencies may subsequently make adjustments to the grant as originally awarded due to their audit findings.

Donated Facilities

Several of the Committee on Aging for Randolph County, Inc.'s facilities are owned by the Randolph County Commission. These include the main senior center building in Elkins and the nutrition sites in Mill Creek and Harman. These facilities are leased to the Organization. Since recent appraisals are not available, a fair rental value could not be reasonably calculated and recorded as donated services and rent expense in these financial statements.

Advertising

Advertising costs are expensed as incurred and totaled \$17,613 and \$26,303 for the years ended September 30, 2015 and 2016, respectively.

**Note 2. Receivables**

Accounts receivable consisted of the following at September 30:

	<u>2015</u>	<u>2016</u>
WV DHHR	\$ <u>114,105</u>	\$ <u>152,557</u>

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 2. Receivables (Continued)**

Grants receivable consisted of the following at September 30:

	<u>2015</u>	<u>2016</u>
Title III-B	\$ 2,265	\$ 0
Title III-C	250	7,991
LIFE	10,077	15,813
Lighthouse/FAIR	22,268	15,450
Transit	<u>20,026</u>	<u>23,912</u>
	<u>\$54,886</u>	<u>\$63,166</u>

**Note 3. Investments**

The cost and estimated market value of investment securities at September 30:

<u>2015</u>	Original Cost	Gross Unrealized Gains	Estimated Market Value
Investments, Unrestricted	<u>\$ 641,602</u>	<u>\$ 0</u>	<u>\$ 641,602</u>

  

<u>2016</u>	Original Cost	Gross Unrealized Gains	Estimated Market Value
Investments, Unrestricted	<u>\$ 641,641</u>	<u>\$ 0</u>	<u>\$ 641,641</u>

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or broker price quotations. For all other financial instruments, the Organization determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instruments.

The Organization measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 3. Investments (Continued)**

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Organization reports investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets.

**Note 4. Property and Equipment**

Property and equipment consisted of the following at September 30:

	<u>2015</u>	<u>2016</u>
Land	\$ 336,788	\$ 336,788
Buildings	270,624	298,122
Improvements	421,765	415,462
Furniture & Equipment	160,357	162,674
Office Equipment	86,888	81,890
Vehicles	<u>568,036</u>	<u>619,072</u>
Total Fixed Assets	1,844,638	1,914,009
Less accumulated depreciation	<u>(834,159)</u>	<u>(946,158)</u>
Net property and equipment	<u>\$1,010,479</u>	<u>\$ 967,851</u>

**Note 5. Retirement Program**

Certain employees are eligible to be included in the organization's retirement program. The employee contributes 4.5% of his/her gross wages which is combined with 9.5% contributed by The Committee on Aging for Randolph County, Inc. The covered employees are eligible to draw benefits upon retirement. Service contributions to the retirement program were \$57,591 and \$46,108 for 2015 & 2016, respectively. Of this amount, \$42,603 and \$33,141 was included in salaries and fringe benefits and \$14,988 and \$12,967 was included in indirect expenses on the respective statement of functional expenses.

**Note 6. Other Post-Employment Benefits (Defined Benefit OPEB Plan)**

The Committee on Aging for Randolph County, Inc. participates in the West Virginia Public Employee Insurance Agency's health insurance plan. In order to comply with GASB Statement No. 43 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective July 1, 2007 the Organization began recording annual required contributions (ARC) as a liability. The balance of the liability as of September 30, 2015 was \$471,647 and 2016 was \$488,351.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Support Concentration**

The Committee on Aging for Randolph County, Inc., receives approximately 47% of its support from the West Virginia Department of Health and Human Services for providing services under the Medicaid Waiver and Community Care programs. Any significant reduction in the level of support from these sources could have a material effect on the Organization's programs and activities.

**Note 8. Split-Interest Agreement (Trust)**

The Committee on Aging for Randolph County, Inc., is the beneficiary of a perpetual trust created on March 1, 1984 and held by Davis Trust Company. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The income is restricted to pay for "recurring expenses" incurred by the Organization. The funds held in trust are owned by the Organization and are therefore reflected on the Statement of Financial Position as Investments.

The Organization is also the beneficiary of a perpetual trust created on August 13, 1984 by the Randolph County Commission and held by Citizens National Bank. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets held in trust. The income is restricted to pay for "general operating expenses," but cannot be used to pay salaries. The funds held in trust remain the property of the Randolph County Commission; therefore, they are not reflected on the Statements of Financial Position.

**Note 9. Transportation Grants**

As a Section 5310/5311 Public Transit agency, the Committee on Aging for Randolph County, Inc., is the recipient of grants from the WV Department of Transportation, Division of Public Transit. These grants provide funds for the Organization for operating assistance and to purchase vehicles. The Organization received two Section 5311 vehicles during the year ended September 30, 2016, totaling \$69,371. No vehicles were received in 2015.

**Note 10. Long-Term Liabilities**

The Committee on Aging for Randolph County, Inc. has a mortgage at Davis Trust Company on their new home care building. The initial amount of the mortgage was \$209,900 with annual payments of \$13,993 at a variable interest rate based on the lender's 30-month CD rate plus 3%, currently 4.6% for a term of 15 years. The balance on this mortgage at September 30, 2015 and 2016 was \$49,092 and \$37,097, respectively.

**The accompanying independent auditor's report is an integral part of these notes.**

**THE COMMITTEE ON AGING FOR RANDOLPH COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**Note 11. Subsequent Events**

The Committee on Aging for Randolph County, Inc.'s management has evaluated subsequent events through the date of the audit report and determined that there are no events that need reported.

**Note 12. Contingent Liability**

The Committee on Aging for Randolph County, Inc. is the defendant in a civil lawsuit with two former employees. The Organization believes it will be successful in their defense of the allegations and does not believe any liability will result from it. Therefore, no liability has been recognized in these financial statements.

**Note 13. Concentration of Credit Risk**

During the fiscal year, the Committee on Aging for Randolph County, Inc. at times had funds on deposit in financial institutions well in excess of the \$250,000 insured by the Federal Deposit Insurance Corporation.

**Note 14. Restricted Net Assets**

The statement of financial position contains temporarily restricted net assets comprised of cash from grantors and fundraising restricted as to use.

**The accompanying independent auditor's report is an integral part of these notes.**

## **SUPPLEMENTAL INFORMATION**

**The Committee on Aging for Randolph County, Inc.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2016**

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
Pass-Through Programs from Upper Potomac Area Agency on Aging:			
U.S. Department of Health & Human Services:			
Administration for Community Living Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers	93.044		\$ 41,629
Administration for Community Living Special Programs for the Aging Title III Part D Disease Prevention and Health Promotion Services	93.043		\$ 2,218
Administration for Community Living Special Programs for the Aging Title III Part E National Family Caregiver Support	93.052		\$ 12,428
Administration for Community Living Special Programs for the Aging Title III Part C Nutrition Services	93.045		\$ 114,040
Centers for Medicare & Medicaid Services CMS Research, Demonstration & Evaluations State Health Insurance Assistance Program (SHIP)	93.779		<u>\$ 23,838</u>
<i>Total US Department of Health &amp; Human Services</i>			<u>\$ 194,153</u>
Pass-Through Program from WV Department of Transportation:			
United States Department of Transportation:			
Federal Transit Administration Formula Grants for Rural Areas	20.509		<u>\$ 321,332</u>
<i>Total US Department of Transportation</i>			<u>\$ 321,332</u>
<i>Total Expenditures of Federal Awards</i>			<u><u>\$ 515,485</u></u>

**The accompanying notes are an integral part of this schedule.**

**The Committee on Aging for Randolph County, Inc.**  
**SCHEDULE OF REVENUES**  
**For the Year Ended September 30, 2016**

	III-B	III-D/MM	III-E	III-C		FAIR	COC/ Waiver	Lighthouse	Transit	Other	TOTALS
				Congregate	Home-Delivered						
<b>GRANT REVENUES</b>											
Federal	\$ 41,629	\$ 2,218	\$ 12,428	\$ 65,763	\$ 48,277				\$ 321,332	\$ 23,838	\$ 515,485
State	14,348	127	1,005	73,719	54,117	39,900		167,187	75,000		425,403
LIFE 2015-16		360	1,736	24,255				6,784	95,660	6,628	135,423
LIFE 2016-17				6,300						38,896	45,196
<b>Total Grant Revenues</b>	<b>55,977</b>	<b>2,705</b>	<b>15,169</b>	<b>170,037</b>	<b>102,394</b>	<b>39,900</b>	<b>-</b>	<b>173,971</b>	<b>491,992</b>	<b>69,362</b>	<b>1,121,507</b>
<b>OTHER REVENUES</b>											
Contributions	\$ 242			\$ 1,339					\$ 1,611	\$ 2,881	\$ 6,073
Program Service Fees							1,301,769		7,433	129,005	1,438,207
Project Income	12,004			88,232	13,868				34,194		148,298
Investment Return	15						57		1,034	22,693	23,799
Local Match	7,341		2,407	73,000					75,500		158,248
Other				23,256		3,860	121,098	17,864	23,567	106,863	296,508
<b>Total Other Revenues</b>	<b>19,602</b>	<b>-</b>	<b>2,407</b>	<b>185,827</b>	<b>13,868</b>	<b>3,860</b>	<b>1,422,924</b>	<b>17,864</b>	<b>143,339</b>	<b>261,442</b>	<b>2,071,133</b>
<b>TOTAL REVENUES</b>	<b>\$ 75,579</b>	<b>\$ 2,705</b>	<b>\$ 17,576</b>	<b>\$ 355,864</b>	<b>\$ 116,262</b>	<b>\$ 43,760</b>	<b>\$ 1,422,924</b>	<b>\$ 191,835</b>	<b>\$ 635,331</b>	<b>\$ 330,804</b>	<b>\$ 3,192,640</b>

The accompanying independent auditor's report and notes are integral parts of these financial statements.

**The Committee on Aging for Randolph County, Inc.**  
**SCHEDULE OF REVENUES**  
**For the Year Ended September 30, 2015**

	III-B	III-D/MM	III-E	III-C		FAIR	COC/ Waiver	Lighthouse	Transit	Other	TOTALS
				Congregate	Home-Delivered						
<b>GRANT REVENUES</b>											
Federal	\$ 41,629	\$ 2,043	\$ 12,661	\$ 32,733	\$ 32,753				\$ 252,696	\$ 12,500	\$ 387,015
State	14,348	127		85,458	82,247	38,647		146,728	75,000	21,122	463,677
LIFE 2014-15		360	1,736	3,108	5,066			6,784	75,438	21,989	114,481
LIFE 2015-16				20,013	14,785				30,231		65,029
State & LIFE Match											-
<b>Total Grant Revenues</b>	<b>55,977</b>	<b>2,530</b>	<b>14,397</b>	<b>141,312</b>	<b>134,851</b>	<b>38,647</b>	<b>-</b>	<b>153,512</b>	<b>433,365</b>	<b>55,611</b>	<b>1,030,202</b>
<b>OTHER REVENUES</b>											
Contributions	\$ 260			\$ 3,500					\$ 104	\$ 58,795	\$ 62,659
Program Service Fees							1,308,469		54,952		1,363,421
Project Income	10,665			91,308	13,592						115,565
Investment Return	23						28		548	27,199	27,798
Local Match	7,341			72,500					73,000	40,000	192,841
Other	225		3,568		19,604	3,378	73,079	10,751	22,270	122,859	255,734
<b>Total Other Revenues</b>	<b>18,514</b>	<b>-</b>	<b>3,568</b>	<b>167,308</b>	<b>33,196</b>	<b>3,378</b>	<b>1,381,576</b>	<b>10,751</b>	<b>150,874</b>	<b>248,853</b>	<b>2,018,018</b>
<b>TOTAL REVENUES</b>	<b>\$ 74,491</b>	<b>\$ 2,530</b>	<b>\$ 17,965</b>	<b>\$ 308,620</b>	<b>\$ 168,047</b>	<b>\$ 42,025</b>	<b>\$ 1,381,576</b>	<b>\$ 164,263</b>	<b>\$ 584,239</b>	<b>\$ 304,464</b>	<b>\$ 3,048,220</b>

The accompanying independent auditor's report and notes are integral parts of these financial statements.

# Williams & Associates, A.C.

204 Davis Ave., PO Box 2727  
Elkins, WV 26241

Certified Public Accountant

Phone: 304-637-9110  
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## **Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in Accordance with Government Auditing Standards**

To the Board of Directors of  
The Committee on Aging for Randolph County, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Committee on Aging for Randolph County, Inc ( a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, the related states of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 15, 2017.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Committee on Aging for Randolph County, Inc's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Committee on Aging for Randolph County, Inc's internal control. Accordingly, we do not express an opinion on the effectiveness of the Committee on Aging for Randolph County, Inc's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Committee on Aging for Randolph County Inc's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in consider the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Williams & Associates A.C.*

Elkins, West Virginia  
June 15, 2017

# Williams & Associates, A.C.

204 Davis Ave., PO Box 2727  
Elkins, WV 26241

Certified Public Accountant

Phone: 304-637-9110  
Fax: 304-637-9006

June 15, 2016

The Committee on Aging for Randolph County Inc  
Elkins, West Virginia 26241

Our audit on the financial statements of Committee on Aging for Randolph County Center, Inc., for the year ended September 30, 2016, highlighted areas where we would like to make recommendations which would improve the internal control, accounting procedures, and internal financial information of the Organization. Since our audit was not designed to include a complete review of all systems, procedures and controls, the following comments and recommendations should not be considered to be all inclusive of the areas where improvements may be necessary.

## **SIGNIFICANT DEFICIENCIES**

### **2014-1 LACK OF SEGREGATION OF DUTIES**

**Criteria:** Internal control should be implemented to the degree possible to assign to different individuals the responsibility for approving, executing and recording transactions and custody of the resulting asset arising from the transaction.

**Condition:** The same employee is responsible for recording accounts receivable, reconciling the bank statements and posting journal entries.

**Cause:** The organization has limited staff and responsibilities for approving, executing, and recording transactions and custody of the resulting assets arising from financial transactions are not assigned to different individuals because the organization does not employ enough administrative staff members to make the necessary segregation possible.

**Effect:** More than a remote likelihood exists that a material misstatement of the financial statements will not be prevented or detected by the organization's internal controls.

**Recommendation:** We recommend responsibilities of approval, execution, recording and custody should be distributed among employees, management and the board of directors to the degree possible. However, we recognize that full and complete segregation of duties is not economically feasible.

**Response:** We concur with the finding and recommendation.

*Williams & Associates, AC*

Elkins, West Virginia